

**Business** 

Markets

World

Politics

TV

More

BASIC MATERIALS MAY 20, 2019 / 8:03 AM / UPDATED 21 MINUTES AGO

# RPT-COLUMN-Australia's shock election shows killing coal mining is no sure thing: Russell

Clyde Russell	5 MIN READ	¥	f

(Repeats with no changes to text)

ADVERTISEMENT

By Clyde Russell

LAUNCESTON, Australia, May 19 (Reuters) - While Australia's opposition Labor Party is the obvious loser from the weekend election, the anti-coal environmental lobby suffered probably a bigger blow and will need to re-think its strategy to end mining of the polluting fuel.

The conservative Liberal Party-led coalition is likely to have pulled off one of the great political escapes by returning to office for a third term, confounding polls and pundits who thought Labor was a near certainty to win the May 18 election.

While Prime Minister Scott Morrison may not secure an outright majority in the 151-seat lower house of parliament, results indicated that Labor, led by former unionist Bill Shorten, would have no chance of victory.

One of the battlegrounds between the two major parties in the campaign had been climate change, with Labor promising far stronger action that the Coalition, which counts among its parliamentarians several who are decidedly pro-coal and sceptical of the science of climate change.

Morrison, prior to becoming the third Liberal leader in five years last August, once brandished a lump of coal in parliament in a show of support for the mining industry and the use of the fuel in generating electricity.

Australia vies with Indonesia for the title of the world's largest coal exporter, and is dominant in the global market for high-quality coking coal used to make steel.

The Liberal victory means the coal mining and coal-using electricity sectors have been spared a Labor government that would have in all likelihood made it harder for them to grow.

A returned Liberal government is likely to pursue policies more friendly to the coal industry, while at the same time being cautious on expanding support for renewable energy.

"Start Adani," was a two-word tweet from Resources Minister Matt Canavan, about 2 3/4 hours after voting closed on May 18, when it was starting to become clear that the Liberals were about to pull off a stunning victory.

That was a reference to the Carmichael mine in Queensland state being proposed by India's Adani Enterprises, which is bitterly opposed by environmentalists who say the world can ill afford the pollution that will result from the burning of its 8 million tonnes a year output.

#### ADVERTISEMENT



PAID FOR AND POSTED BY DELOITTE

# Workforce | Driving Force

Workers have the motivation and platform to share their values and they expect organizations to do the same

Learn More >

The election showed that in the constituencies near the mine, voters chose the prospect of jobs over climate concerns.

## **GREEN ACTIVISTS IGNORED**

The Liberals had expected to lose a swag of seats in Queensland, but instead they held all their marginal constituencies and even took two from Labor.

It's not clear whether this strong result in the state most reliant on coal mining is a repudiation of Labor's climate policies, or more a reflection of voter disquiet over Labor's other policies that would have resulted in higher taxes and spending.

#### TRENDING

Exclusive: Google suspend some business with Huaw Trump blacklist - source

One Alabama officer deac manhunt underway for sh

U.S. warship sails in dispu South China Sea amid tra tensions

U.S., China bicker over 'extravagant expectations trade deal

What's the Point? An Exer Scaling

Paid and posted by Fisher Investments However, a convoy of activists led by longstanding environmental campaigner and former Australian Greens leader Bob Brown, which travelled through Queensland in the weeks prior to the election to call for the Adani mine to be scrapped, probably hurt their cause more than it helped.

Queenslanders, particularly those outside the main city of Brisbane, have a reputation for being tight-knit community-focused people that don't like outsiders telling them what to do.

It doesn't take much imagination to see that a road procession of largely well-heeled leftist city folk telling them to abandon a major regional industry would get their hackles up.

Where the message of climate changed played well in Australia was in those rich suburbs of cities, with climate change denier and former prime minister Tony Abbott losing his Sydney-based seat to independent candidate and former Olympic skier Zali Steggall, who campaigned in favour of stronger environmental policies.

But Steggall's victory was very much a consolation prize for green activists, and it's likely that several leading Liberal government members will try and keep new coal-fired power plants as an option for Australia's energy needs.

ADVERTISEMENT



PAID FOR AND POSTED BY DELOITTE

# City mobility platforms

Accelerating the realization of seamless, integrated transportation

Learn More >

The Liberals may also favour fossil fuels such as natural gas when it comes to the country's energy system, which has been in crisis for several years because of the soaring cost of electricity and natural gas, which is often blamed on the rise of the liquefied natural gas (LNG) export industry.

For Australia's environmentalists, the election delivered a brutal message, namely they have yet to win over people outside the major cities.

The green lobby will have to come to terms with the reality that the election showed the failure of blanket calls to end all coal mining and natural gas exploration, without having convinced voters that low-cost alternatives are available and that jobs will be

ADVERTISEMENT

## protected.

Editing by Daniel Wallis

Our Standards: The Thomson Reuters Trust Principles.

### MORE FROM REUTERS

### REUTERS NEWS NOW

Subscribe to our daily cura receive the latest exclusive delivered to your inbox.

Enter email address

Submit

## PAID PROMOTIONAL LINKS



A Shockingly Lucrative Cash Back Card If You Have Excellent Credit

The Ascent



Chart Of The Week: A Sobering Thought About Venezuela

Aberdeen Standard Investments



Tips to unlock the value of your home and build equity where you live

From Merrill



New tax deduction rules may impact these state residents the most

From BofA Private Bank



Promoted

Top 10 Credit Cards For People With Excellent Credit CompareCards.com

#### MORE FROM REUTERS



Exclusive: Google suspends some business with Huawei after Trump... 20 May



Austrian government collapses as far right leader caught in video...  $% \label{eq:collapse} % \label{eq:collapse}$ 





Bank staff flagged Trump, Kushner transactions for watchdog: NYTimes 20 May



Trump, Saudi Arabia warn Iran against Middle East conflict 20 May



Trump says tariffs making companies leave China, a deal can't be...

Promoted

## PAID PROMOTIONAL LINKS



A Shockingly Lucrative Cash Back Card If You Have Excellent Credit

Sponsored by The Ascent



These surprising tips will change your perspective on home ownership Sponsored by From Merrill



Attorneys You Need To See Sponsored by Attorney | Sponsored Links



Transform Your Career in 20 Months With an Executive MBA From Columbia

Sponsored by Columbia Business School



Our Free Guide Shows Beginners How To Safely Trade Options On A budget

Sponsored by TradeWins







How You Can Cash In On IPO's Sponsored by Money Map Press



Chart Of The Week: A Sobering Thought About Venezuela

Sponsored by Aberdeen Standard Investments



Which Travel Card Has The Most Valuable Miles? Sponsored by NerdWallet



Turn \$100 into Fortune Without Risking a Dime in the Stock Market Sponsored by Crowdability



Discover the benefits of working with an advisor Sponsored by From BofA Private Bank



All quotes delayed a minimum of 15 minutes. See here for a complete list of exchanges and delays. © 2019 Reuters. All Rights Reserved.